U.S. DISTRICT COURT - N.D. OF N.Y.
FILED
AUG - 5 2009
AT ____ O'CLOCK ________
Lawrence K. Baerman, Clerk - Syracuse

IN THE UNITED STATE DISTRICT COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

v.

JOSEPH QUERI, JR.,
BENJAMIN VILOSKI,
GARY GOSSON,
also known as "Goose,"
and
GARY CAMP,
Defendants.

Criminal Number: 5:09-CR- 418 (NAM)

INDICTMENT

Violations:

18 U.S.C. § 371 [Conspiracy to Commit Mail and Wire Fraud];
18 U.S.C. §§ 1341 & 1346 [Mail Fraud and Deprivation of Honest Services Mail Fraud];
18 U.S.C. §§ 1343 & 1346 [Wire Fraud and Deprivation of Honest Services Wire Fraud];
18 U.S.C. § 1956(h) [Conspiracy to Commit Money Laundering and Transactions in Criminally Derived Property];
18 U.S.C. § 1956(a)(1)(B)(i) [Concealment Money Laundering];
18 U.S.C. § 1957(a) [Transactions in Criminally Derived Property];
18 U.S.C. § 371 [Conspiracy to Commit Securities Fraud Through Insider Trading];
15 U.S.C. §§ 78j(b) and 78ff; and 17 C.F.R. § 240.10b-5 [Securities Fraud Through Insider Trading];
15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3 [Tender Offer Fraud];
18 U.S.C. § 2 [Aiding and Abetting and Causing an Act to Be Done]

THE GRAND JURY CHARGES:

Dick's Sporting Goods and Defendant JOSEPH QUERI, JR.

1. At all times relevant to this indictment, Dick's Sporting Goods, Inc., [hereinafter "Dick's"] was a chain of retail sporting goods stores. Dick's was incorporated in Delaware and had its corporate headquarters in Pittsburgh, Pennsylvania. Dick's became a publicly traded company in October 2002.

2. Defendant JOSEPH QUERI, JR. was Dick's Senior Vice President of Real Estate from on or about February 28, 1999, until his resignation, which became effective in or about February 2005. His duties included locating sites for new Dick's stores and entering into agreements with landlords, real estate developers, and others for the development of new Dick's stores.

3. Dick's standard practice for developing and opening new stores was to enter into long-term leases with the owners or real estate developers of the stores. Among other things, defendant JOSEPH QUERI, JR. was involved in negotiating the terms of lease contracts for new Dick's stores.

4. As a Senior Vice President at Dick's, defendant JOSEPH QUERI, JR. owed fiduciary duties to Dick's. Some of those duties were articulated in a Dick's "Code of Business Conduct and Ethics," issued on or about January 21, 2004, which provided, among other things, that:

   a. Dick's associates, officers, and directors "are responsible for abiding by. . . all local and national laws in all states . . . in which the Company does business."

b. Dick's associates, officers, and directors "must be free of any actual or perceived conflict of interest to assure that [such associates, officers, and directors] are best able to exercise independent judgment with regard to the Company's best interests."

c. Conflicts of interest arise when associates, officers, or directors "have a direct or indirect interest in, or relationship with, any organization or individual that may disrupt [Dick's] or affect . . . objectivity and independent judgment or conduct in carrying out . . . duties and responsibilities."

d. Dick's associates, officers, and directors were prohibited from "work[ing] or receiv[ing] compensation or other consideration for services from any supplier, vendor, distributor, landlord or competitor of the Company or any business entity that does or seeks to do business with the Company unless prior written approval is provided by the Director of Legal."

5. Under the law of Delaware, the state in which Dick's was incorporated, corporate officers were not permitted to use their positions of trust and confidence to further their private interests. As fiduciaries of a corporation, officers were required to refrain from doing anything that would work injury to the corporation, or to deprive it of profit or advantage.

Defendant BENJAMIN VILOSKI

6. At all times relevant to this indictment, defendant BENJAMIN VILOSKI was an attorney licensed to practice law in the state of Pennsylvania. At various times, defendant BENJAMIN VILOSKI practiced law in Pittsburgh within a law practice known as "The Viloski Law Firm"; as a partner in law firm with the initials "DKW"; and

as one of the founders and principals of the law firm "Shopping Center Law Associates" [hereinafter "SCLA"]. Defendant BENJAMIN VILOSKI founded SCLA in the fall of 2000.

7. Defendant BENJAMIN VILOSKI, acting through the above-named law firms, represented Dick's as an attorney in real estate matters, including the development of new Dick's stores.

Defendant GARY GOSSON

8. At all times relevant to this indictment, defendant GARY GOSSON, also known as "Goose" [hereinafter "GARY GOSSON"], was a friend of defendant JOSEPH QUERI, JR. At all times relevant to this indictment, defendant GARY GOSSON resided in the Northern District of New York.

Defendant GARY CAMP

9. At all times relevant to this indictment, defendant GARY CAMP was a friend of defendant GARY GOSSON.

The Scheme to Defraud By Requiring, Receiving, and Concealing Kickback Payments ["The Kickback Scheme"]

10. From approximately 1998 through approximately February 2005, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, devised and executed a scheme and artifice to defraud Dick's and various landlords, real estate developers, investors, property owners, and others involved in the development of new Dick's stores, and to obtain money and property, and to deprive Dick's of potentially valuable economic information that could impact on its economic

decisions, and its intangible right of the honest services of its employees and officers. Defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, executed that scheme in part by use of the United States mail, private and commercial interstate carriers, and interstate wire communications.

11. Defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, executed the kickback scheme in part as follows:

a. As part of agreements for the development of new Dick's stores, defendant JOSEPH QUERI, JR., acting as Dick's representative, and defendant BENJAMIN VILOSKI, acting as Dick's attorney, broker, or consultant, required that one or more businesses involved in each development project, including landlords, real estate developers, investors, and property owners, pay a substantial consulting or brokerage commission to an entity that defendant JOSEPH QUERI, JR. and/or defendant BENJAMIN VILOSKI identified as a consultant or broker for Dick's.

b. Defendant JOSEPH QUERI, JR. and/or defendant BENJAMIN VILOSKI often identified one of the businesses described below – Retail Development Network, Inc.; a company with the initials "LRC"; Reinman Realty, LLC; Reinman Properties, LLC; or Shopping Center Real Estate – as well as defendant BENJAMIN VILOSKI's law firm, SCLA, as a consultant or broker for Dick's that was to receive a substantial commission payment.

c. In reality, as defendants JOSEPH QUERI, JR. and BENJAMIN VILOSKI knew, in some cases, the "consultant" or "broker" that one or both of them identified did little or no actual consulting or brokerage work in connection with the development of the new Dick's store to earn the required payment. In some instances, the identified "consultant" or "broker" submitted an invoice demanding payment in connection with a Dick's new store development project even though it had done no work on that project.

d. Rather, the "consultant" or "broker" served as a "front" for defendant JOSEPH QUERI, JR. When the identified consultant or broker serving as a front received the commission payment that had been required as part of the Dick's new store development project, it passed some or all of the money on to defendant JOSEPH QUERI, JR. by writing a check made payable to or sending a wire transfer to either defendant JOSEPH QUERI, JR. or to Queri Properties, LLC, a company that defendant JOSEPH QUERI, JR. controlled. Although Dick's did not know about or approve these payments, defendant JOSEPH QUERI, JR. kept the money that he received from the kickback scheme.

e. Use of these businesses as fronts concealed and disguised from Dick's and others the kickback scheme, the nature, location, ownership, and control of the proceeds of the kickback scheme, and that much of the money required as consulting and brokerage commissions was to be received by defendant JOSEPH QUERI, JR., in violation of his fiduciary obligations to Dick's.

Kickback Payments

12. From approximately 1998 through approximately February 2005, defendant JOSEPH QUERI, JR. was involved in conduct resulting in approximately $2 million

in kickback payments related to the development of approximately 27 new Dick's stores.

13. From approximately 1998 through approximately 2005, defendant BENJAMIN VILOSKI was involved in conduct resulting in over $1.2 million in kickback payments related to the development of approximately 22 new Dick's stores.

14. From approximately 2003 through approximately 2005, defendant GARY GOSSON was involved in conduct resulting in over $800,000.00 in kickback payments related to the development of approximately 12 new Dick's stores.

Businesses Used in the Kickback Scheme

Retail Development Network, Inc.

15. From approximately 1997 to approximately 2003, defendant BENJAMIN VILOSKI was a principal of a real estate consulting company called "Retail Development Network, Inc." [hereinafter "RDNI"]. From approximately 1999 to approximately 2003, defendant BENJAMIN VILOSKI was the sole owner of RDNI.

16. Defendant BENJAMIN VILOSKI maintained a bank account for RDNI. From approximately 1999 through approximately 2003, as part of the kickback scheme and to conceal the scheme, defendant BENJAMIN VILOSKI used the RDNI bank account to receive purported consulting and brokerage commissions related to the development of new Dick's stores and to pass most of that money on to defendant JOSEPH QUERI, JR.

17. In approximately 2002, defendant BENJAMIN VILOSKI caused the creation of fraudulent RDNI invoices that were submitted to a real estate broker and a real estate developer to assist defendant JOSEPH QUERI, JR. to obtain illegal kickback

payments related to the development of new Dick's stores and to conceal the true nature of those payments.

Company with the Initials "LRC"

18. In 2003, defendant JOSEPH QUERI, JR. caused a company with the initials LRC [hereinafter "LRC"] to create fraudulent invoices that were submitted to a real estate developer to assist defendant JOSEPH QUERI, JR. to obtain illegal kickback payments related to the development of new Dick's stores and to conceal the true nature of those payments. In 2003, as part of the kickback scheme and to conceal the scheme, purported consulting commissions related to the development of new Dick's stores were received and deposited into a LRC bank account. Shortly thereafter, all of the money from those deposits was passed on to defendant JOSEPH QUERI, JR.

Reinman Realty, LLC and Reinman Properties, LLC

19. In approximately 2003 through 2005, defendant GARY GOSSON was the principal of purported real estate businesses named Reinman Realty, LLC and Reinman Properties, LLC. Those businesses listed an address on Reinman Road in Syracuse, New York as their business address. That address was the residence of defendant GARY GOSSON. Defendant GARY GOSSON did not have a real estate broker's license.

20. Defendant GARY GOSSON maintained separate bank accounts for Reinman Realty, LLC and Reinman Properties, LLC. The Reinman Realty, LLC bank account was at Solvay Bank, located in the Northern District of New York. Checks and deposit tickets issued on the Reinman Realty bank account sometimes bore the

name "Reinman Properties, LLC." The Reinman Properties, LLC bank account was at a branch of Charter One Bank located in the Northern District of New York.

21. From approximately 2003 through 2005, as part of the kickback scheme and to conceal the scheme, defendant GARY GOSSON used the Reinman Realty, LLC and Reinman Properties, LLC bank accounts to receive purported consulting commissions related to the development of new Dick's stores and to pass most of that money on to defendant JOSEPH QUERI, JR.

22. In approximately 2004, defendant GARY GOSSON caused the creation of fraudulent Reinman Properties, LLC invoices that were submitted to real estate developers to assist defendant JOSEPH QUERI, JR. to obtain illegal kickback payments related to the development of new Dick's stores and to conceal the true nature of those payments.

Shopping Center Real Estate, Inc.

23. Beginning in 2003, defendant BENJAMIN VILOSKI was a principal of a real estate brokerage company called "Shopping Center Real Estate, Inc." [hereinafter "SCRE"]. SCRE operated from inside defendant BENJAMIN VILOSKI's law firm, SCLA.

24. Defendant BENJAMIN VILOSKI maintained a bank account for SCRE. From approximately 2003 through 2005, as part of the kickback scheme and to conceal the scheme, defendant BENJAMIN VILOSKI used the SCRE bank account to receive brokerage commissions related to the development of new Dick's stores and to pass a portion of that money on by writing checks made payable to Reinman Realty, LLC. Defendant GARY GOSSON then deposited the checks into the

Reinman Realty, LLC bank account and the Reinman Properties, LLC bank account and passed most of that money on to defendant JOSEPH QUERI, JR.

Queri Properties, LLC

25. Queri Properties, LLC was a business operated by defendant JOSEPH QUERI, JR. Defendant JOSEPH QUERI, JR. maintained bank accounts in the name of Queri Properties, LLC. He deposited some payments from the kickback scheme into those bank accounts and used one such account to receive wire transfers constituting kickback payments.

The Tender Offer for Shares of Galyan's Trading Company

26. In early 2004, Dick's management decided to attempt to acquire a rival sporting goods company called "Galyan's Trading Company, Inc." [hereinafter "Galyan's"]. In 2004, Galyan's was a publicly traded company. Its stock traded on the NASDAQ stock exchange under the trading symbol "GLYN."

27. The planned acquisition of Galyan's took the form of a cash "tender offer." A tender offer is a process by which an acquiring company, like Dick's, offers to purchase most or all of the shares of stock of a target company, like Galyan's, at a premium.

28. During the spring of 2004, Dick's management took substantial steps toward the planned Galyan's tender offer, including one or more meetings between directors and officers from Dick's and Galyan's.

29. On June 21, 2004, after the close of the stock markets, Dick's announced a tender offer for Galyan's stock. After the announcement, the price of Galyan's stock increased by approximately 50%.

Defendant JOSEPH QUERI, JR.'s Access to Information About the Galyan's Tender Offer and His Obligation Not to Disclose Such Information

30. As Dick's Senior Vice President of Real Estate, defendant JOSEPH QUERI, JR. was kept informed of Dick's plan to acquire Galyan's by tender offer, Dick's progress toward the tender offer, and the timing of the anticipated tender offer and its announcement. He also was made aware that all information concerning the proposed tender offer and its timing was confidential, nonpublic information that should not be disclosed.

31. Dick's Code of Business Conduct and Ethics, issued on or about January 21, 2004, required "its associates, officers and directors to comply with all applicable laws, rules and regulations, including insider trading." It also stated that "[i]t is . . . generally illegal to communicate ('to tip') material, nonpublic information to others so that they may trade in securities on the basis of that information." It explained that such conduct was commonly referred to as "insider trading" and made clear that such conduct could result in civil and criminal fines and prosecution.

32. Dick's also had a "Statement of Policy on Insider Trading," which provided in part that "[i]t is . . . generally illegal to communicate ('to tip') material, nonpublic information to others so that they may trade in securities on the basis of that information." The policy listed examples of "material information," including "possible mergers, acquisitions, joint ventures and other purchases . . . of companies . . . ." and stated that "[i]nformation is considered to be nonpublic unless it has been effectively disclosed to the public."

33. The "Statement of Policy on Insider Trading" further stated that "[w]hen you know material information about Dick's Sporting Goods that has not been made public (*i.e.* nonpublic information), you are prohibited from . . . disclosing the information to anyone else who might then trade."

The Scheme to Disclose Material, Nonpublic Information Concerning the Galyan's Tender Offer to Tippees Who Traded on the Stock ["The Insider Trading Scheme"]

34. In approximately 2004, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR. and GARY GOSSON, and others known and unknown, willfully used and employed a manipulative and deceptive device and contrivance in connection with the purchase or sale of a security registered on a national securities exchange by the use of means and instrumentalities of interstate commerce and of the mails, and facilities of a national securities exchange, all in contravention of regulations that the Securities and Exchange Commission prescribed as necessary and appropriate in the public interest and for the protection of investors, by causing and aiding and abetting the purchase and sale of Galyan's stock on the basis of material nonpublic information about that stock, in breach of a duty of trust and confidence that was owed directly, indirectly, and derivatively to Dick's, the source of the material nonpublic information.

35. Defendant JOSEPH QUERI, JR. and GARY GOSSON, and others known and unknown, executed the insider trading scheme in part as follows:

a. Defendant JOSEPH QUERI, JR. disclosed Dick's plan to acquire Galyan's and the anticipated timing of Dick's tender offer announcement to defendant GARY GOSSON and to a Queri relative in Las Vegas, Nevada. Defendant

JOSEPH QUERI, JR. did so in order to enable defendant GARY GOSSON and the Queri relative in Las Vegas, Nevada to disclose the information to others [hereinafter "the Gosson tippees" and "the Las Vegas tippees"] so that the Gosson tippees and the Las Vegas tippees could profit by purchasing Galyan's stock before the tender offer announcement and then selling the stock after the tender offer had been announced.

b. Defendant GARY GOSSON disclosed Dick's plan and the anticipated timing of the Galyan's tender offer to the Gosson tippees, who were his friends and associates, including defendant GARY CAMP and Gosson Tippees #1 through #5. The Queri relative in Las Vegas disclosed Dick's plan and the anticipated timing of the Galyan's tender offer to the Las Vegas tippees.

c. The Gosson tippees, including defendant GARY CAMP and Gosson Tippees #1 through #5, and the Las Vegas tippees all purchased shares of Galyan's stock shortly before the tender offer announcement and sold the stock after the share price increased following the tender offer announcement.

d. In addition to the Galyan's stock that defendant GARY CAMP purchased for himself, defendant GARY GOSSON arranged to have defendant GARY CAMP purchase shares of Galyan's stock for defendant GARY GOSSON before the tender offer announcement. After the tender offer announcement, defendant GARY CAMP returned defendant GARY GOSSON's original investment to him, along with a trading profit.

e. Defendant GARY GOSSON arranged to receive and did receive a share of the trading profits that Gosson Tippee #2 and Gosson Tippee #5 made by acting on defendant GARY GOSSON's disclosure, purchasing Galyan's stock before the tender offer announcement, and then selling after the price of Galyan's stock increased following the tender offer announcement.

Profits from the Insider Trading Scheme

36. The combined profit that the Gosson Tippees, including defendant GARY CAMP and Gosson Tippees #1 through #5, made by purchasing Galyan's stock shortly before the tender offer announcement and selling the Galyan's stock shortly after the announcement was approximately $274,613.00.

37. The combined profit that the Las Vegas Tippees made by purchasing Galyan's stock shortly before the tender offer announcement and selling or tendering the Galyan's stock shortly after the announcement was approximately $105,648.00.

COUNT 1
Conspiracy to Commit Mail and Wire Fraud and
Deprivation of Honest Services Mail Fraud and Wire Fraud
18 U.S.C. § 371
[Defendants Joseph Queri, Jr., Benjamin Viloski, and Gary Gosson]

38. The allegations set out in paragraphs 1 through 8 are hereby incorporated by reference.

Objects of the Conspiracy

39. Beginning in or about 1998 and continuing to in or about February 2005, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, knowingly, intentionally, and unlawfully combined, conspired, confederated, and agreed with one another to commit the following offenses:

a. **Mail Fraud**, by devising and intending to devise a scheme and artifice to defraud, and for obtaining money and property, and to deprive another of potentially valuable information that could impact on economic decisions, and of the intangible right of honest services, by means of materially false and fraudulent pretenses, representations, promises, and for the purpose of executing such scheme and artifice and attempting so to do, by placing in any post office and authorized depository for mail matter, any matter and thing whatever to be sent and delivered by the Postal Service, and depositing and causing to be deposited any matter and thing whatever to be sent and delivered by any private or commercial interstate carrier, and taking and receiving therefrom, any such matter and thing, and knowingly causing to be delivered by mail and such carrier according to the direction thereon, and at the place at which it is directed to be delivered by the person to whom it is addressed, any such matter or thing, in violation of 18 U.S.C. §§ 1341 and 1346; and

b. **Wire Fraud**, by devising and intending to devise a scheme and artifice to defraud, and for obtaining money and property, and to deprive another of potentially valuable information that could impact on economic decisions, and of the intangible right of honest services, by means of materially false and fraudulent pretenses, representations, promises, and, for the purpose of executing such scheme and artifice, by transmitting and causing to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, any writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. §§ 1343 and 1346;

All in violation of 18 U.S.C. § 371.

Method and Means of the Conspiracy

40. The allegations set out in paragraphs 10 through 25 are hereby incorporated by reference.

Overt Acts

41. In furtherance of the agreement, combination, and conspiracy and to effect the objects thereof, the defendants and co-conspirators committed the following overt acts, among others, in the Northern District of New York and elsewhere:

Payments Made to Defendant JOSEPH QUERI, JR. Through RDNI

42. On or about May 20, 1999, defendant BENJAMIN VILOSKI caused a letter agreement to be sent by facsimile to an attorney representing a real estate

developer that required the developer to pay RDNI a $75,000.00 brokerage fee in connection with the development of a new Dick's store located in Burlington Towne Center, 2703 Route 541, Burlington, New Jersey.

43. On or about September 28, 1999, defendant BENJAMIN VILOSKI caused a letter agreement to be sent by facsimile to an attorney representing a real estate developer that required the developer to pay RDNI a $150,000.00 brokerage fee in connection with the development of a new Dick's store located in Market Square, Montrose Shopping Center, 4036 Medina Road, Akron, Ohio.

44. Between on or about March 14, 2000, and on or about April 3, 2000, defendant BENJAMIN VILOSKI signed a "Non-Exclusive Brokerage Agreement" that required a landlord to pay RDNI a commission of $90,000.00 in connection with the development of a new Dick's store located in the Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York.

45. On or about November 15, 2000, defendant BENJAMIN VILOSKI sent a letter to a landlord that asked the landlord to "forward the fee check" to be "made payable to Retail Development Network, Inc." and send it by overnight mail to "Ben Viloski Retail Development Network, Inc.," in connection with a new Dick's store located in the Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York.

46. On or about December 20, 2000, defendant BENJAMIN VILOSKI sent a letter on RDNI letterhead to a landlord that asked the landlord to send the $40,312.50 balance of a $90,000.00 fee due in connection with the development of a new Dick's store located in the Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York.

47. On or about July 12, 2000, defendant BENJAMIN VILOSKI caused a letter agreement to be sent by facsimile to a real estate developer that required the developer to pay RDNI a $100,000.00 brokerage fee in connection with the development of a new Dick's store located in Chesterfield Plaza, 1520 West Kroger Center Boulevard, Richmond, Virginia.

48. On or about August 21, 2000, defendant JOSEPH QUERI, JR. signed a "Purchase and Sale Contract" that required a real estate developer to pay RDNI a $100,000.00 commission in connection with the development of a new Dick's store located in Chesterfield Plaza, 1520 West Kroger Center Boulevard, Richmond, Virginia.

49. On or about December 3, 2001, defendant BENJAMIN VILOSKI signed a letter agreement that required a landlord to pay RDNI a consulting commission of $2.00 per square foot of "Ground Floor leasable area" in connection with the development of a new Dick's store located in the Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia.

50. On or about December 3, 2001, defendant BENJAMIN VILOSKI signed a letter agreement that required a landlord to pay RDNI a consulting commission of $2.00 per square foot of "Ground Floor leasable area" in connection with the development of a new Dick's store located in the Huntington Mall, Route 60 Mall Road, Barboursville, West Virginia.

51. On or about December 13, 2001, defendant JOSEPH QUERI, JR. and/or defendant BENJAMIN VILOSKI caused a contract to be delivered to a real estate broker, which contract obligated the broker to pay RDNI $200,000.00 in connection with the

development of a new Dick's store located at 1360 S. Washington Street, North Attleboro, Massachusetts.

52. On or about April 17, 2002, defendant JOSEPH QUERI, JR. and/or defendant BENJAMIN VILOSKI caused a RDNI invoice to be sent to a real estate broker that demanded payment by May 1, 2002, of the first $100,000.00 of a $200,000.00 consulting fee, in connection with the development of a new Dick's store located at 1360 S. Washington Street, North Attleboro, Massachusetts, even though RDNI had no work on that store development project to earn the consulting fee.

53. In or about June 2002, defendant JOSEPH QUERI, JR. instructed a real estate broker to make a $25,000 payment to RDNI in connection with the development of a new Dick's store located at Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas.

54. In or around June 17, 2002, defendant JOSEPH QUERI, JR. and/or defendant BENJAMIN VILOSKI caused a letter agreement to be sent to a real estate broker that required the broker to pay RDNI a $25,000.00 referral fee in connection with the development of a new Dick's store located in the Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas.

55. Between on or about October 22 and October 31, 2002, defendant JOSEPH QUERI, JR. and/or defendant BENJAMIN VILOSKI caused two RDNI invoices to be sent to a real estate developer, each of which demanded payment of a $100,000.00 consulting fee in connection with the development of a new Dick's store, one located in the Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas and the other in The Shops at Blackstone Valley, 70 Worchester Providence Turnpike, Millbury,

Massachusetts, even though RDNI had done no work on those store development projects to earn the consulting fees.

56. On or about the dates listed below, defendant BENJAMIN VILOSKI deposited or caused the deposit of checks made payable to RDNI into a RDNI bank account, or received payments to RDNI by wire transfer into that bank account, in the amounts listed below, all in connection with the development of new Dick's stores in the locations listed below:

Payments Made to RDNI			
Overt Act #	**Date payment received**	**Amount of payment to RDNI**	**Location of Dick's store**
56a	January 9, 1999	$75,000.00	East Gate Square, 1300 Nixon Drive, Mt. Laurel, New Jersey
56b	May 26, 1999	$75,000.00	Burlington Towne Center, 2703 Route 541, Burlington, New Jersey
56c	October 28, 1999	$100,000.00	Market Square, Montrose Shopping Center, 4036 Medina Road, Akron, Ohio
56d	September 28, 2000	$100,000.00	2305 Gallatin Pike, Madison, Tennessee
56e	October 5, 2000	$100,000.00	Chesterfield Plaza, 1520 West Kroger Center Boulevard, Richmond, Virginia
56f	December 8, 2000	$49,687.50	Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York
56g	January 16, 2001	$40,312.50	Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York
56h	January 24, 2002	$31,235.00	Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia
56i	January 24, 2002	$31,235.00	Huntington Mall, Route 60 Mall Road, Barboursville, West Virginia
56j	June 28, 2002	$100,000.00	1360 S. Washington Street, North Attleboro, Massachusetts
56k	July 9, 2002	$25,000.00	Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas
56l	November 8, 2002	$100,000.00	Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas

Payments Made to RDNI			
Overt Act #	**Date payment received**	**Amount of payment to RDNI**	**Location of Dick's store**
56m	November 8, 2002	$100,000.00	The Shops at Blackstone Valley, 70 Worchester Providence Turnpike, Millbury, Massachusetts
56n	November 8, 2002	$25,703.00	Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia
56o	January 21, 2003	$11,644.81	Meadowbrook Mall, 2399 Meadowbrook Mall, Bridgeport, West Virginia
56p	July 9, 2003	$43,723.00	Eastwood Mall, 5809 Youngstown-Warren Road Niles, Ohio
56q	August 29, 2003	$100,000.00	Greenwood Park Mall, 1251 US 31 North, Greenwood, Indiana

57. On or about the dates listed below, defendant BENJAMIN VILOSKI signed checks in the amounts listed below, drawn on a RDNI bank account and made payable to either defendant JOSEPH QUERI, JR. or Queri Properties, LLC, in connection with the development of new Dick's stores in the locations listed below:

RDNI Payments to Defendant JOSEPH QUERI, JR.			
Overt Act #	**Date check signed**	**Amount of check**	**Location of Dick's store**
57a	January 9, 1999	$59,550.00	East Gate Square, 1300 Nixon Drive, Mt. Laurel, New Jersey
57b	September 28, 1999	$60,000.00	Burlington Towne Center, 2703 Route 541, Burlington, New Jersey
57c	November 8, 1999	$80,000.00	Market Square, Montrose Shopping Center, 4036 Medina Road, Akron, Ohio
57d	September 29, 2000	$100,000.00	2305 Gallatin Pike, Madison, Tennessee
57e	October 6, 2000	$50,000.00	Chesterfield Plaza, 1520 West Kroger Center Boulevard, Richmond, Virginia
57f	December 8, 2000	$49,687.50	Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York

RDNI Payments to Defendant JOSEPH QUERI, JR.			
Overt Act #	**Date check signed**	**Amount of check**	**Location of Dick's store**
57g	January 19, 2001	$40,312.50	Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York
57h	January 2002	$50,000.00	Huntington Mall, Route 60 Mall Road, Barboursville, West Virginia and Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia
57i	July 2002	$100,000.00	1360 S. Washington Street, North Attleboro, Massachusetts
57j	July 11, 2002	$25,000.00	Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas
57k	November 12, 2002	$200,000.00	Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas; and The Shops at Blackstone Valley, 70 Worchester Providence Turnpike, Millbury, Massachusetts
57l	November 2002	$12,852.00	Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia
57m	January 22, 2003	$10,000.00	Meadowbrook Mall, 2399 Meadowbrook Mall, Bridgeport, West Virginia
57n	July 10, 2003	$35,000.00	Eastwood Mall, 5809 Youngstown-Warren Road Niles, Ohio
57o	September 4, 2003	$100,000.00	Greenwood Park Mall, 1251 US 31 North, Greenwood, Indiana

58. On or about the dates listed below, defendant JOSEPH QUERI, JR. deposited or caused the deposit of checks in the amounts listed below, drawn on a RDNI bank account, and signed by defendant BENJAMIN VILOSKI, in connection with the development of new Dick's stores in the locations listed below:

Defendant JOSEPH Queri, Jr.'s Deposit of Payments from RDNI			
Overt Act #	**Date of deposit**	**Amount of check**	**Location of Dick's store**
58a	January 1999	$59,550.00	East Gate Square, 1300 Nixon Drive, Mt. Laurel, New Jersey

Defendant JOSEPH Queri, Jr.'s Deposit of Payments from RDNI			
Overt Act #	**Date of deposit**	**Amount of check**	**Location of Dick's store**
58b	September or October 1999	$60,000.00	Burlington Towne Center, 2703 Route 541, Burlington, New Jersey
58c	November 1999	$80,000.00	Market Square, Montrose Shopping Center, 4036 Medina Road, Akron, Ohio
58d	October 2000	$100,000.00	2305 Gallatin Pike, Madison, Tennessee
58e	October 2000	$50,000.00	Chesterfield Plaza, 1520 West Kroger Center Boulevard, Richmond, Virginia
58f	December 2000	$49,687.50	Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York
58g	January 2001	$40,312.50	Shoppingtown Mall, 3649 Erie Boulevard East, DeWitt, New York
58h	January 29, 2002	$50,000.00	Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia and Huntington Mall, Route 60 Mall Road, Barboursville, West Virginia
58i	July 3, 2002	$100,000.00	1360 S. Washington Street, North Attleboro, Massachusetts
58j	July 16, 2002	$25,000.00	Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas
58k	November 13, 2002	$200,000.00	Townwest Mall, 4600 W. Kellogg Drive, Wichita, Kansas; and The Shops at Blackstone Valley, 70 Worchester Providence Turnpike, Millbury, Massachusetts
58l	November 26, 2002	$12,852.00	Spotsylvania Mall, 137 Spotsylvania Mall, Fredericksburg, Virginia
58m	January 27, 2003	$10,000.00	Meadowbrook Mall, 2399 Meadowbrook Mall, Bridgeport, West Virginia
58n	July 10, 2003	$35,000.00	Eastwood Mall, 5809 Youngstown-Warren Road Niles, Ohio
58o	September 8, 2003	$100,000.00	Greenwood Park Mall, 1251 US 31 North, Greenwood, Indiana

Payments Made to Defendant JOSEPH QUERI, JR. Through LRC

59. On or about February 26, 2003, defendant JOSEPH QUERI, JR. caused two invoices to be sent by facsimile from LRC to a real estate developer, each demanding payment of a $100,000.00 "real estate commission fee" in connection with the development of a new Dick's store, one located at 1360 S. Washington Street, North Attleboro, Massachusetts and the other in the Mall Plaza, 385 Gorham Road, South Portland, Maine, even though LRC had done no work on those store development projects to earn the real estate commission fees.

60. On or about March 3, 2003, defendant JOSEPH QUERI, JR. caused LRC to receive and deposit two checks, each in the amount of $100,000.00, paid in satisfaction of two invoices demanding real estate commission fees purportedly earned in connection with the development of new Dick's stores located at 1360 S. Washington Street, North Attleboro, Massachusetts and in the Mall Plaza, 385 Gorham Road, South Portland, Maine.

61. On or about March 4, 2003, defendant JOSEPH QUERI, JR. caused LRC to issue a check in the amount of $200,000.00, made payable to Queri Properties, LLC.

62. On or about March 10, 2003, defendant JOSEPH QUERI, JR. deposited a check from LRC, made payable to Queri Properties, LLC in the amount of $200,000.00 (minus $20,000.00 cash withdrawn), paid in connection with the development of new Dick's stores located at 1360 S. Washington Street, North Attleboro, Massachusetts and in the Mall Plaza, 385 Gorham Road, South Portland, Maine.

Payments Made to Defendant JOSEPH QUERI, JR. Through Reinman Realty, LLC and Reinman Properties, LLC

63. On or about October 14, 2003, defendant GARY GOSSON sent a letter agreement on "Reinman Properties, LLC" letterhead to a real estate developer that required the developer to pay Reinman Properties, LLC a $100,000.00 fee in connection with the development of a new Dick's store located at 256 Coliseum Boulevard, Fort Wayne, Indiana.

64. On or about February 20, 2004, defendant GARY GOSSON sent an invoice on "Reinman Properties, LLC" letterhead to a real estate developer, demanding payment of a $100,000.00 real estate consulting fee in connection with the development of a new Dick's store located at 256 Coliseum Boulevard, Fort Wayne, Indiana, even though defendant GARY GOSSON and Reinman Properties, LLC had done no meaningful real estate consulting work on the store development project to earn the consulting fee.

65. On or about May 12, 2004, defendant GARY GOSSON received a check in the amount of $100,000.00, delivered to his Reinman Road address in Syracuse, New York by a commercial interstate carrier, and paid in satisfaction of an invoice demanding a real estate consulting fee purportedly earned in connection with the development of a new Dick's store located at 256 Coliseum Boulevard, Fort Wayne, Indiana.

66. On or about May 13, 2004, defendant GARY GOSSON deposited a check in the amount of $100,000.00, paid in connection with the development of a new Dick's store located at 256 Coliseum Boulevard, Fort Wayne, Indiana, into a Reinman Realty, LLC bank account.

67. On or about May 14, 2004, defendant GARY GOSSON signed a check in the amount of $95,000.00, drawn on a Reinman Realty, LLC bank account and made payable to defendant JOSEPH QUERI, JR., in connection with the development of a new Dick's store located at 256 Coliseum Boulevard, Fort Wayne, Indiana.

68. On or about May 17, 2004, defendant JOSEPH QUERI, JR. deposited a check in the amount of $95,000.00 that was signed by defendant GARY GOSSON and drawn on a Reinman Realty, LLC bank account, paid to him in connection with the development of a new Dick's store located at 256 Coliseum Boulevard, Fort Wayne, Indiana.

69. On or about December 13, 2004, defendant GARY GOSSON sent an invoice on "Reinman Properties, LLC" letterhead to a real estate developer, demanding payment of a $250,000.00 real estate consulting fee in connection with the development of a new Dick's store located at 387 Mount Hope Avenue, Rockaway, New Jersey, even though defendant GARY GOSSON and Reinman Properties, LLC had done no meaningful real estate consulting work on the store development project to earn the consulting fee.

70. On or about December 20, 2004, defendant GARY GOSSON received $250,000.00 by an interstate wire transfer to the Reinman Realty, LLC bank account, paid in satisfaction of an invoice demanding a real estate consulting fee purportedly earned in connection with the development of a new Dick's store located at 387 Mount Hope Avenue, Rockaway, New Jersey.

71. On or around December 27, 2004, defendant GARY GOSSON sent two invoices on "Reinman Properties, LLC" letterhead to a real estate developer, each demanding payment of $100,000.00 as a real estate consulting fee in connection with the

development of a new Dick's store, one located at King Phillips Crossing, 275 Highland Avenue, Seekonk, Massachusetts and the other in the Monadnock Marketplace, 42 Ash Brook Road, Keene, New Hampshire, even though defendant GARY GOSSON and Reinman Properties, LLC had done no meaningful real estate consulting work on those store development projects to earn the consulting fees.

72. On or about January 4, 2005, defendant GARY GOSSON caused a bank to send an interstate wire transfer from a Reinman Realty, LLC bank account to a Queri Properties, LLC bank account in the amount of $237,500.00 in connection with the development of a new Dick's store located at 387 Mount Hope Avenue, Rockaway, New Jersey.

73. On or about January 6, 2005, defendant GARY GOSSON received a check in the amount of $200,000.00, delivered to the Reinman Road address in Syracuse, New York by a commercial interstate carrier, and paid in satisfaction of invoices demanding real estate consulting fees purportedly earned in connection with the development of new Dick's stores located at King Phillips Crossing, 275 Highland Avenue, Seekonk, Massachusetts and in the Monadnock Marketplace, 42 Ash Brook Road, Keene, New Hampshire.

74. On or about January 14, 2005, defendant GARY GOSSON deposited a check in the amount of $200,000.00, paid in connection with the development of new Dick's stores located at King Phillips Crossing, 275 Highland Avenue, Seekonk, Massachusetts and in the Monadnock Marketplace, 42 Ash Brook Road, Keene, New Hampshire, into a Reinman Properties, LLC bank account.

75. On or about January 26, 2005, defendant GARY GOSSON caused a bank to send an interstate wire transfer from a Reinman Properties, LLC bank account to a Queri

Properties, LLC bank account in the amount of $231,000.00, which was partially funded by the deposit of a check in the amount of $200,000.00, purportedly earned in connection with the development of new Dick's stores located at King Phillips Crossing, 275 Highland Avenue, Seekonk, Massachusetts and in the Monadnock Marketplace, 42 Ash Brook Road, Keene, New Hampshire.

Payments Made to SCRE (and SCLA)

76. On or about August 11, 2003, defendant BENJAMIN VILOSKI caused an attorney who worked at SCLA to sign a letter agreement that required that a landlord pay SCLA a broker commission of $150,000.00 in connection with the development of a new Dick's store located near Allentown, Pennsylvania at 2631 MacArthur Road, Whitehall, Pennsylvania.

77. On or about December 5, 2003, defendant BENJAMIN VILOSKI signed a "Fee Agreement" that required that a landlord pay a $150,000.00 fee to SCRE in connection with the development of a new Dick's store located in the Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania.

78. On or about December 5, 2003, defendant BENJAMIN VILOSKI signed a "Fee Agreement" that required that a landlord pay a $150,000.00 fee to SCRE in connection with the development of a new Dick's store located in the Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio.

79. On or about December 23, 2003, defendant BENJAMIN VILOSKI caused a SCRE invoice to be sent to a landlord that demanded payment of $75,000.00 of a $150,000.00 consultant's fee in connection with the development of a new Dick's store located in the Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania.

80. On or about December 23, 2003, defendant BENJAMIN VILOSKI caused a SCRE invoice to be sent to a landlord that demanded payment of $75,000.00 of a $150,000.00 consultant's fee in connection with the development of a new Dick's store located in the Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio.

81. On or about February 5, 2004, defendant BENJAMIN VILOSKI signed a "Fee Agreement" that required a landlord to pay a $187,500.00 fee to SCRE in connection with the development of a new Dick's store located in the Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut.

82. On or about February 13, 2004, defendant BENJAMIN VILOSKI caused a SCRE invoice to be sent to a landlord that demanded payment of $93,750.00 of a $187,500.00 consultant's fee in connection with the development of a new Dick's store located in the Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut.

83. On or about February 16, 2004, defendant BENJAMIN VILOSKI signed a "Fee Agreement" that required a landlord to pay a $135,000.00 fee to SCRE in connection with the development of a new Dick's store located in The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan.

84. On or about March 26, 2004, defendant BENJAMIN VILOSKI caused a SCRE invoice to be sent to a landlord that demanded payment of $67,500.00 of a $135,000.00 consultant's fee in connection with the development of a new Dick's store located in The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan.

85. On or about May 4, 2004, defendant BENJAMIN VILOSKI signed a "Fee Agreement" that required a landlord to pay a $50,000.00 fee to SCRE in connection

with the development of a new Dick's store located in Towne Center, 1062 Ridge Road, Webster, New York.

86. On or about June 30, 2004, defendant BENJAMIN VILOSKI caused a SCRE invoice to be sent to a landlord that demanded payment of the balance of $75,000.00 of a $150,000.00 consultant's fee in connection with a new Dick's store located in the Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania.

87. On or about July 21, 2004, defendant BENJAMIN VILOSKI caused a letter to be sent by facsimile that documented a fee agreement by which SCRE was to be paid a fee of $125,000.00 in connection with the development of a new Dick's store located in the Clearview Mall, 1521 North Main Street, Butler, Pennsylvania.

88. On or about September 7, 2004, defendant BENJAMIN VILOSKI caused a second SCRE invoice to be sent to a landlord that demanded payment of the balance of $75,000.00 of a $150,000.00 consultant's fee in connection with the development of a new Dick's store located in the Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania.

89. On or about September 20, 2004, defendant BENJAMIN VILOSKI signed a "Fee Agreement" that required a landlord to pay a $150,000.00 fee to SCRE in connection with the development of a new Dick's store located in Connecticut Commons, 280 New Britain Avenue, Plainville, Connecticut.

90. On or about the dates listed below, defendant BENJAMIN VILOSKI deposited or caused the deposit of checks made payable to SCRE (or to SCLA) into a SCRE bank account, in the amounts listed below, all in connection with the development of new Dick's stores in the locations listed below:

Payments Made to SCRE			
Overt Act #	**Date payment received**	**Amount of payment to SCRE**	**Location of Dick's store**
90a	December 19, 2003	$150,000.00	2631 MacArthur Road, Whitehall, Pennsylvania
90b	January 9, 2004	$75,000.00	Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania
90c	January 9, 2004	$75,000.00	Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio
90d	February 24, 2004	$93,750.00	Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut
90e	April 22, 2004	$67,500.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan
90f	April 29, 2004	$75,000.00	Connecticut Commons, 280 New Britain Avenue, Plainville, Connecticut
90g	August 2, 2004	$25,000.00	Towne Center, 1062 Ridge Road, Webster, New York
90h	August 30, 2004	$50,000.00	Clearview Mall, 1521 North Main Street, Butler, Pennsylvania
90i	October 14, 2004	$75,000.00	Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania
90j	November 22, 2004	$67,500.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan

Counts 2 to 6
Mail Fraud and Deprivation of Honest Services Mail Fraud
18 U.S.C. §§ 1341 and 1346
[Defendants Joseph Queri, Jr., Benjamin Viloski, and Gary Gosson]

91. The allegations set out in paragraphs 1 through 8; 10 through 25; and 42 through 90j, describing, among other things, the kickback scheme and overt acts in furtherance of that scheme, are hereby incorporated by reference.

92. From in or about 1998 to in or about February 2005, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, devised and intended to devise a scheme and artifice to defraud Dick's and various landlords, real estate developers, investors, property owners, and others involved in the development of new Dick's stores, and to obtain money and property, and to deprive Dick's of potentially valuable economic information that could impact on its economic decisions, and its intangible right of the honest services of its employees and officers.

93. For the purpose of executing such scheme and artifice and attempting so to do, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, in the Northern District of New York and elsewhere, on or about the dates listed below, knowingly placed and caused to be placed the matters and things described below in any post office or authorized depository for mail matter, to be sent and delivered by United States Postal Service, and deposited and caused to be deposited the matters and things described below, to be sent and delivered by private and commercial interstate carrier, and knowingly caused the

described matters and things to be delivered by mail or such carrier according to the directions thereon to and from the addresses listed below:

Count	Date	Matters and Things	Address
2	October 4, 2004	An SCRE check in the amount of $75,000.00	**Delivered to:** Reinman Realty, LLC 5087 Reinman Road Syracuse, NY 13215
3	December 13, 2004	A Reinman Properties, LLC invoices for a "Real Estate Consulting Fee"	**Delivered from:** Reinman Realty, LLC 5087 Reinman Road Syracuse, NY 13215
4	December 27, 2004	Two Reinman Properties, LLC invoices for "Real Estate Consulting Fees"	**Delivered from:** Reinman Realty, LLC 5087 Reinman Road Syracuse, NY 13215
5	January 3, 2005	Two SCRE checks in the amounts of $33,750.00 and $17,500.00	**Delivered to:** Reinman Realty, LLC 5087 Reinman Road Syracuse, NY 13215
6	January 5, 2005	A Berkshire Development, LLC check in the amount of $200,000.00	**Delivered to:** Gary Gosson Reinman Properties, LLC 5087 Reinman Road Syracuse, NY 13215

In violation of 18 U.S.C. §§ 1341 and 1346.

Counts 7 to 10
Wire Fraud and Deprivation of Honest Services Wire Fraud
18 U.S.C. §§ 1343 and 1346
[Defendants Joseph Queri, Jr., Benjamin Viloski, and Gary Gosson]

94. The allegations set out in paragraphs 1 through 8; 10 through 25; and 42 through 90j, describing, among other things, the kickback scheme and overt acts in furtherance of that scheme, are hereby incorporated by reference.

95. From in or about 1998 to in or about February 2005, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, devised and intended to devise a scheme and artifice to defraud Dick's and various landlords, real estate developers, investors, property owners, and others involved in the development of new Dick's stores, and to obtain money and property, and to deprive Dick's of potentially valuable economic information that could impact on its economic decisions, and its intangible right of the honest services of its employees and officers.

96. For the purpose of executing such scheme and artifice, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, in the Northern District of New York and elsewhere, on or about the dates listed below, knowingly transmitted and caused to be transmitted by means of wire communication in interstate commerce the following writings, signs, and signals, specifically, electronic mail messages and money transfers, as described below:

Count	**Date**	**Writings, Signs, and Signals**	**Origin or Destination**
7	December 16, 2004	Electronic mail message from attorney to Joe.Queri@dcsg.com	**Origin:** Law firm located in Syracuse, NY

Count	Date	Writings, Signs, and Signals	Origin or Destination
8	December 16, 2004	Electronic mail message from Joe.Queri@dcsg.com to attorney	**Destination:** Law firm located in Syracuse, NY
9	December 20, 2004	Wire transfer of $250,000.00 to Reinman Properties, LLC	**Destination:** Solvay Bank
10	January 4, 2005	Wire transfer of $237,500.00 to Queri Properties, LLC	**Origin:** Solvay Bank

In violation of 18 U.S.C. §§ 1343 and 1346.

Count 11
Conspiracy to Commit Money Laundering
and Transactions in Criminally Derived Property
18 U.S.C. § 1956(h)
[Defendants Joseph Queri, Jr., Benjamin Viloski, and Gary Gosson]

97. The allegations set out in paragraphs 1 through 8 are hereby incorporated by reference.

Objects of the Conspiracy

98. Beginning in approximately 1998 and continuing through approximately February 2005, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, and others known and unknown, knowingly, intentionally, and unlawfully combined, conspired, confederated, and agreed with one another to commit the following offenses:

a. **Concealment Money Laundering:** Knowing that the property involved in one or more financial transactions in interstate commerce represented the proceeds of some form of unlawful activity, to conduct and attempt to conduct such a financial transaction or financial transactions which in fact involved the proceeds of specified unlawful activity, knowing that the transaction or transactions were designed in whole or in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful, in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

b. **Transactions in Criminally Derived Property:** Within the United States, to knowingly engage and attempt to engage in one or more monetary transactions, in and affecting interstate commerce, in criminally derived property of a value greater than $10,000 that is derived from specified unlawful activity, in violation of 18 U.S.C. § 1957(a).

All in violation of 18 U.S.C. § 1956(h).

Method and Means of the Conspiracy

99. The allegations set out in paragraphs 10 through 25 are hereby incorporated by reference.

Overt Acts

100. In furtherance of the agreement, combination, and conspiracy and to effect the objects thereof, the defendants and co-conspirators committed the following overt acts, among others, in the Northern District of New York and elsewhere:

101. The allegations set out in paragraphs 42 through 90j are hereby incorporated by reference.

Payments from SCRE to Reinman Realty, LLC

102. On or about the dates listed below, defendant BENJAMIN VILOSKI signed checks in the amounts listed below, drawn on a SCRE bank account, and made payable to Reinman Realty, LLC, in connection with the development of new Dick's stores in the locations listed below:

SCRE Payments to Reinman Realty, LLC			
Overt Act #	**Date check signed**	**Amount of check**	**Location of Dick's store**
102a	January 7, 2004	$25,000.00	2631 MacArthur Road, Whitehall, Pennsylvania
102b	January 13, 2004	$12,500.00	Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania
102c	January 13, 2004	$12,500.00	Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio
102d	March 1, 2004	$12,500.00	Connecticut Post Mall, 1201 Boston Post Road., Milford, Connecticut
102e	March 1, 2004	$37,500.00	Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut

SCRE Payments to Reinman Realty, LLC			
Overt Act #	**Date check signed**	**Amount of check**	**Location of Dick's store**
102f	April 22, 2004	$28,750.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan
102g	May 3, 2004	$18,750.00	Connecticut Commons, 280 New Britain Avenue, Plainville, Connecticut
102h	October 4, 2004	$75,000.00	Towne Center, 1062 Ridge Road, Webster, New York; and Clearview Mall, 1521 North Main Street, Butler, Pennsylvania
102i	January 3, 2005	$17,500.00	Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania
102j	January 3, 2005	$33,750.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan

103. On or about the dates listed below, defendant GARY GOSSON deposited or caused the deposit of checks made payable to Reinman Realty, LLC into Reinman Realty, LLC and Reinman Properties, LLC bank accounts, in the amounts listed below, all in connection with the development of new Dick's stores in the locations listed below:

Defendant GARY GOSSON's Deposit of Payments From SCRE			
Overt Act #	**Date of deposit**	**Amount of check**	**Location of Dick's store**
103a	January 21, 2004	$25,000.00	2631 MacArthur Road, Whitehall, Pennsylvania
103b	January 21, 2004	$12,500.00	Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania
103c	January 21, 2004	$12,500.00	Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio
103d	March 16, 2004	$12,500.00	Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut
103e	March 16, 2004	$37,500.00	Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut
103f	April 23, 2004	$28,750.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan

Defendant GARY GOSSON's Deposit of Payments From SCRE			
Overt Act #	**Date of deposit**	**Amount of check**	**Location of Dick's store**
103g	May 10, 2004	$18,750.00	Connecticut Commons, 280 New Britain Avenue, Plainville, Connecticut
103h	October 8, 2004	$75,000.00	Towne Center, 1062 Ridge Road, Webster, New York; and Clearview Mall, 1521 North Main Street, Butler, Pennsylvania
103i	January 14, 2005	$17,500.00	Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania
103j	January 14, 2005	$33,750.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan

Payments From Reinman Realty, LLC To Defendant JOSEPH QUERI, JR.

104. On or about the dates listed below, defendant GARY GOSSON signed checks in the amounts listed below, drawn on Reinman Realty, LLC and Reinman Properties, LLC bank accounts, made payable to defendant JOSEPH QUERI, JR. or Queri Properties, LLC, in connection with the development of new Dick's stores in the locations listed below:

Reinman Realty, LLC Payments to Defendant JOSEPH QUERI, JR.			
Overt Act #	**Date check signed**	**Amount of check**	**Location of Dick's store**
104a	January 24, 2004	$47,500.00	2631 MacArthur Road, Whitehall, Pennsylvania; Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania; and Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio
104b	March 20, 2004	$47,500.00	Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut
104c	April 24, 2004	$27,300.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan
104d	May 13, 2004	$17,800.00	Connecticut Commons, 280 New Britain Avenue, Plainville, Connecticut
104e	October 8, 2004	$71,250.00	Towne Center, 1062 Ridge Road, Webster, New York; and Clearview Mall, 1521 North Main Street, Butler, Pennsylvania

105. On or about the dates listed below, defendant JOSEPH QUERI, JR. deposited and caused the deposit of checks drawn on Reinman Realty, LLC and Reinman Properties, LLC bank accounts, made payable to JOSEPH QUERI, JR. and signed by defendant GARY GOSSON, in the amounts listed below, all in connection with the development of new Dick's stores in the locations listed below:

Defendant JOSEPH Queri, Jr.'s Deposit of Reinman Realty, LLC Payments			
Overt Act #	**Date of deposit**	**Amount of check**	**Location of Dick's store**
105a	January 29, 2004	$47,500.00	2631 MacArthur Road, Whitehall, Pennsylvania; Coventry Mall, Route 724 and Route 100, Pottstown, Pennsylvania; and Fort Steuben Mall, 100 Mall Drive, Steubenville, Ohio
105b	March 25, 2004	$47,500.00	Connecticut Post Mall, 1201 Boston Post Road, Milford, Connecticut
105c	April 27, 2004	$27,300.00	The Lakes Mall, 5560 South Harvey Parkway, Muskegon, Michigan
105d	May 17, 2004	$17,800.00	Connecticut Commons, 280 New Britain Avenue, Plainville, Connecticut
105e	October 12, 2004	$71,250.00	Towne Center, 1062 Ridge Road, Webster, New York; and Clearview Mall, 1521 North Main Street, Butler, Pennsylvania

Counts 12 to 15
Concealment Money Laundering
18 U.S.C. §§ 1956(a)(1)(B)(i) and 2
[Defendants Joseph Queri, Jr., Benjamin Viloski, and Gary Gosson]

106. The allegations set out in paragraphs 1 through 8; 10 through 25; 42 through 90j; and 102 through 105e are hereby incorporated by reference.

107. On or about the dates listed below, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, aiding and betting each other, did knowingly conduct, attempt to conduct, and cause to be conducted the financial transactions affecting interstate commerce described below, each of which involved the proceeds of specified unlawful activity, that is mail fraud, in violation of 18 U.S.C. § 1341, and wire fraud, in violation of 18 U.S.C. § 1343, and knowing that the described transactions were designed in whole and in part to conceal and disguise the nature, source, ownership, and control of the proceeds of said specified unlawful activity and, that while conducting and attempting to conduct each such financial transaction, knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

Count	Date	Financial transaction
12	October 8, 2004	Deposit of SCRE check for $75,000.00 into Reinman Realty, LLC bank account at Solvay Bank
13	December 20, 2004	$250,000.00 wire transfer to Reinman Realty, LLC bank account at Solvay Bank
14	January 14, 2005	Deposit of SCRE check for $17,500.00 into Reinman Properties, LLC bank account at Charter One Bank
15	January 14, 2005	Deposit of SCRE check for $33,750.00 into Reinman Properties, LLC bank account at Charter One Bank

In violation of Title 18 United States Code §§ 1956(a)(1)(B)(i) and 2.

Counts 16 to 18
Transactions in Criminally Derived Property
18 U.S.C. §§ 1957(a) and 2
[Defendants Joseph Queri, Jr., Benjamin Viloski, and Gary Gosson]

108. The allegations set out in paragraphs 1 through 8; 10 through 25; 42 through 90j; and 102 through 105e are hereby incorporated by reference.

109. On or about the dates listed below, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., BENJAMIN VILOSKI, and GARY GOSSON, within the United States, aiding and abetting each other, knowingly engaged in, attempted to engage in, and caused others to engage in the monetary transactions described below, in and affecting interstate commerce, in criminally derived property of a value greater than $10,000.00 that was derived from specified unlawful activity, specifically, mail fraud, in violation of 18 U.S.C. § 1341, and wire fraud, in violation of 18 U.S.C. § 1343.

Count	Date	Financial transaction
16	October 12, 2004	Transfer of $71,250.00 by check made payable to defendant JOSEPH QUERI, JR. and drawn on Reinman Realty, LLC bank account at Solvay Bank
17	January 4, 2005	Wire transfer of $237,500.00 from defendant GARY GOSSON's account at Solvay Bank to Queri Properties, LLC bank account.
18	January 26, 2005	Wire transfer of $231,000.00 from defendant GARY GOSSON's account at Charter One Bank to Queri Properties, LLC bank account.

In violation of 18 U.S.C. §§ 1957(a) and 2.

Count 19
Conspiracy to Commit Securities Fraud Through Insider Trading
18 U.S.C. § 371
[Defendants Joseph Queri, Jr., Gary Gosson, and Gary Camp]

110. The allegations set out in paragraphs 1 through 5; and 8 through 9 are hereby incorporated by reference.

Object of the Conspiracy

111. Beginning in or about February 2004 and continuing to in or about July 2004, in the Northern District of New York and elsewhere, defendants JOSEPH QUERI, JR., GARY GOSSON, and GARY CAMP, and others known and unknown, knowingly, intentionally, and unlawfully combined, conspired, confederated, and agreed with one another to commit the following offense:

a. **Securities Fraud Through Insider Trading**, by directly and indirectly using and willfully causing others to use the means and instrumentalities of interstate commerce, the mails, and of the facilities of a national securities exchange, in connection with the purchase and sale of securities, and using and employing manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, while (I) employing a device, scheme, and artifice to defraud; (ii) omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (iii) engaging in acts, practices, and courses of business that operated and would operate as a fraud and deceit, in connection with the purchase and sale of securities of Galyan's Trading Company, Inc., in violation of Title 15, United

States Code, Sections 78j(b) and 78ff; 17 C.F.R. § 240.10b-5; and 18 U.S.C. § 2. Title 18, United States Code, Section 2(b).

All in violation of 18 U.S.C. § 371.

Method and Means of the Conspiracy

112. The allegations set out in paragraphs 26 through 37 are hereby incorporated by reference.

Overt Acts

113. In furtherance of the agreement, combination, and conspiracy and to effect the objects thereof, the defendants and co-conspirators committed the following overt acts, among others, in the Northern District of New York and elsewhere:

Telephone Communications Between Defendants JOSEPH QUERI, JR. and GARY GOSSON from May 1, 2004 to June 11, 2004

114. On or about the dates, and at or about the times listed below, between May 1, 2004, and June 12, 2004, defendants JOSEPH QUERI, JR. and GARY GOSSON placed telephone calls to and received telephone calls from each other's mobile telephones, as indicated:

Telephone calls made between Defendant JOSEPH QUERI, JR. and Defendant GARY GOSSON: May 1, 2004 to June 11, 2004				
Overt Act #	**Date**	**Time**	**Calling Telephone**	**Receiving Telephone**
114a	May 1, 2004	4:29 p.m.	Queri	Gosson
114b	May 3, 2004	9:23 p.m.	Queri	Gosson
114c	May 4, 2004	7:45 p.m.	Queri	Gosson
114d	May 4, 2004	8:04 p.m.	Queri	Gosson
114e	May 6, 2004	9:07 a.m.	Gosson	Queri
114f	May 6, 2004	9:56 p.m.	Queri	Gosson
114g	May 6, 2004	11:10 p.m.	Gosson	Queri

Telephone calls made between Defendant JOSEPH QUERI, JR. and Defendant GARY GOSSON: May 1, 2004 to June 11, 2004				
Overt Act #	**Date**	**Time**	**Calling Telephone**	**Receiving Telephone**
114i	May 9, 2004	7:41 p.m.	Queri	Gosson
114j	May 10, 2004	6:59 p.m.	Queri	Gosson
114k	May 11, 2004	7:58 a.m.	Gosson	Queri
114l	May 11, 2004	8:33 a.m.	Gosson	Queri
114m	May 13, 2004	10:46 a.m.	Queri	Gosson
114n	May 13, 2004	2:54 p.m.	Gosson	Queri
114o	May 14, 2004	9:15 a.m.	Gosson	Queri
114p	May 14, 2004	9:23 a.m.	Gosson	Queri
114q	May 14, 2004	1:38 p.m.	Gosson	Queri
114r	May 14, 2004	4:54 p.m.	Queri	Gosson
114s	May 16, 2004	7:34 p.m.	Gosson	Queri
114t	May 19, 2004	8:02 p.m.	Queri	Gosson
114u	May 19, 2004	8:35 p.m.	Gosson	Queri
114v	May 22, 2004	8:45 a.m.	Queri	Gosson
114w	May 25, 2004	9:14 a.m.	Gosson	Queri
114x	May 28, 2004	10:52 a.m.	Queri	Gosson
114y	May 28, 2004	10:54 a.m.	Gosson	Queri
114z	May 28, 2004	10:56 a.m.	Queri	Gosson
114aa	May 28, 2004	11:04 a.m.	Queri	Gosson
114bb	May 28, 2004	11:08 a.m.	Gosson	Queri
114cc	May 30, 2004	10:21 p.m.	Gosson	Queri
114dd	May 31, 2004	12:04 p.m.	Queri	Gosson
114ee	June 1, 2004	9:17 p.m.	Gosson	Queri
114ff	June 2, 2004	6:45 a.m.	Queri	Gosson
114gg	June 2, 2004	7:04 a.m.	Gosson	Queri
114hh	June 3, 2004	10:25 a.m.	Gosson	Queri
114ii	June 3, 2004	10:28 a.m.	Queri	Gosson
114jj	June 9, 2004	11:25 a.m.	Gosson	Queri

Telephone calls made between Defendant JOSEPH QUERI, JR. and Defendant GARY GOSSON: May 1, 2004 to June 11, 2004				
Overt Act #	**Date**	**Time**	**Calling Telephone**	**Receiving Telephone**
114kk	June 11, 2004	9:23 p.m.	Gosson	Queri

Telephone Calls In the Days Preceding the Purchases of Galyan's Stock

115. On or about June 10, 2004, defendant JOSEPH QUERI, JR. had a telephone conversation with a Queri relative living in Las Vegas, Nevada in which defendant JOSEPH QUERI, JR. disclosed that Dick's tender offer for Galyan's stock was going to occur soon. Thereafter, on or about June 14, 2004, the Queri relative living in Las Vegas disclosed this information to the Las Vegas tippees, all off whom purchased Galyan's stock on or about June 14, 2004 and sold that stock at a profit of approximately 50% after the tender offer announcement on June 21, 2004.

116. On or about June 13, 2004, at approximately 6:56 p.m., defendant JOSEPH QUERI, JR. and defendant GARY GOSSON had a telephone conversation that lasted approximately 18 minutes.

Defendant GARY CAMP

117. On or about June 14, 2004, at approximately 8:19 a.m., a little more than an hour after speaking to defendant JOSEPH QUERI, JR., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP and had a three-minute-long conversation.

118. On or about June 14, 2004, at approximately 8:30 a.m., less than 10 minutes after completion of a telephone conversation with defendant GARY GOSSON, defendant GARY CAMP placed a telephone call to his stock broker.

119. On or about June 14, 2004, at approximately 9:22 a.m., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP.

120. On or about June 14, 2004, at approximately 9:29 a.m., defendant GARY CAMP placed a telephone call to his stock broker.

121. On or about June 14, 2004, at approximately 10:10 a.m., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP.

122. On June 14, 2004, shortly after speaking with defendant GARY GOSSON, at approximately 10:13 a.m. and again at 10:20 a.m., defendant GARY CAMP placed telephone calls to his stock broker and purchased approximately 12,500 shares of Galyan's stock on the margin for approximately $135,551.36 at $10.75 per share.

123. On or about June 14, 2004, at approximately 10:49 a.m., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP.

124. On or about June 14, 2004, at approximately 12:35 p.m., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP.

125. On or about June 15, 2004, at approximately 3:43 p.m., defendant GARY GOSSON permitted defendant GARY CAMP to use his mobile telephone so that defendant GARY CAMP could call his stock broker.

126. On or about June 15, 2004, defendant Gary Camp purchased approximately 10,000 shares of Galyan's stock on the margin for approximately $112,789.07 at approximately $11.18 per share.

127. On or about June 15, 2004, at approximately 7:52 a.m. and 9:19 a.m., defendant GARY GOSSON placed telephone calls to defendant GARY CAMP.

128. On or about June 17, 2004, at approximately 8:37 a.m., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP.

129. On or about June 18, 2004, at approximately 11:36 a.m., defendant GARY GOSSON placed a telephone call to defendant GARY CAMP.

130. On or about June 18, 2004, defendant GARY GOSSON provided funds to defendant GARY CAMP so that defendant GARY CAMP could purchase shares of Galyan's stock on behalf of defendant GARY GOSSON. Defendant GARY CAMP did so.

131. On or about June 19, 2004, at approximately 1:23 p.m. and 2:27 p.m., defendant GARY GOSSON placed telephone calls to defendant GARY CAMP.

132. On or about June 21, 2004, defendant GARY CAMP purchased 5000 shares of Galyan's stock for approximately $54,549.50 at approximately $10.80 per share, bringing defendant GARY CAMP's total purchase of Galyan's stock, including shares purchased for defendant GARY GOSSON, to approximately 27,500 shares for approximately $302,889.92.

133. On or about June 22, 2004, defendant GARY CAMP sold 27,500 shares of Galyan's stock at $16.71 and $16.72 per share, making a profit of approximately $153.437.21.

Gosson Tippee #1

134. On or about June 13, 2004, at approximately 7:37 p.m. and 9:06 p.m., shortly after having a telephone conversation with defendant JOSEPH QUERI, JR., defendant GARY GOSSON placed two telephone calls to Gosson Tippee #1's home.

135. On June 14, 2004, at approximately 8:29 a.m., defendant GARY GOSSON placed a telephone call to Gosson Tippee #1's home and had a five-minute-long conversation. That same day, shortly after speaking with defendant GARY GOSSON, beginning at approximately 10:01 a.m., Gosson Tippee #1 purchased a total of approximately 4,749 shares of Galyan's stock for approximately $53,042.27

at between $11.01 and $11.18 per share. On or about July 27, 2004, Gosson Tippee #1 sold approximately 4,749 shares of Galyan's stock at $16.75 per share, making a profit of approximately $26,503.48.

136. On or about June 14, 2004, at approximately 10:13 a.m., defendant GARY GOSSON placed a telephone call to Gosson Tippee #1.

Gosson Tippee #2

137. In May 2004, defendant GARY GOSSON told Gosson Tippee #2, among other things, that Dick's was going to acquire Galyan's and that he would notify Gosson Tippee #2 when the acquisition would occur.

138. On or about June 14, 2004, at approximately 10:47 a.m., defendant GARY GOSSON placed a telephone call to Gosson Tippee #2 and, among other things, told him that it was time to purchase Galyan's stock because the Galyan's acquisition was going to occur the next day. Thereafter, on that same day, Gosson Tippee #2 purchased approximately 4,600 shares of Galyan's stock for approximately $49,695.00 at $10.80 per share. On or about June 22, 2004, Gosson Tippee #2 sold the Galyan's stock at $16.71 per share, making a profit of approximately $27,026.20.

Gosson Tippee #3

139. On or about May 27, 2004, defendant GARY GOSSON placed a telephone call to Gosson Tippee #3 and, among other things, told Gosson Tippee #3 that Dick's was going to acquire Galyan's, that the acquisition would occur relatively soon, that it was a pretty sure thing, and that Tippee #3 could realize a good gain by purchasing Galyan's stock. Defendant GARY GOSSON asked Gosson Tippee #3 to purchase some Galyan's stock for defendant GARY GOSSON.

140. Shortly after May 27, 2004, defendant GARY GOSSON sent a check for approximately $8,000.00 by mail to Gosson Tippee #3 for the purpose of Gosson Tippee #3 purchasing Galyan's stock for defendant GARY GOSSON. Gosson Tippee #3 decided not to do so and tore the check up.

141. On or about June 14, 2004, at approximately 8:44 a.m., defendant GARY GOSSON placed a telephone call to Gosson Tippee #3.

142. On or about June 14, 2004, at approximately 11:03 a.m. defendant GARY GOSSON placed a telephone call to Gosson Tippee #3.

143. On or about June 14, 2004, at approximately 1:07 p.m., 1:08 p.m., 1:42 p.m., 2:02 p.m., 2:48 p.m., and 3:13 p.m., defendant GARY GOSSON placed telephone calls to Gosson Tippee #3. Thereafter, on that same day, Gosson Tippee #3 purchased approximately 1,750 shares of Galyan's stock for approximately $19,589.50 at $11.19 per share. On or about June 22, 2004, Gosson Tippee #3 sold the Galyan's stock at $16.65 per share, making a profit of approximately $9,540.31.

Gosson Tippee #4

144. On or about June 10, 2004, defendant GARY GOSSON told Gosson Tippee #4, among other things, that if Gosson Tippee #4 wanted to make money, he should purchase Galyan's stock because Dick's was going to acquire Galyan's. Defendant GARY GOSSON suggested that Gosson Tippee #4 purchase Galyan's stock but discouraged the use of a particular stock broker because, according to defendant GARY GOSSON, the broker knew both defendant GARY GOSSON and defendant JOSEPH QUERI, JR. and might be suspicious.

145. On or about June 15, 2004, at approximately 7:37 a.m. and again at 7:40 a.m., defendant GARY GOSSON received telephone calls from Gosson Tippee #4. On

or about that day, defendant GARY GOSSON asked Gosson Tippee #4 if he had purchased Galyan's stock yet and, when told that Gosson Tippee #4 had not, stated that if Gosson Tippee #4 was going to purchase Galyan's stock, he should do it soon or it would be too late.

146. On or about June 17, 2004, at approximately 1:00 p.m. defendant GARY GOSSON received a telephone call from Gosson Tippee #4. Thereafter on that same day, Gosson Tippee #4 purchased approximately 450 shares of Galyan's stock for approximately $5,099.00 at $11.13 per share. On or about June 22, 2004, Gosson Tippee #4 sold the Galyan's stock at $16.67 per share, making a profit of approximately $2,235.00.

Gosson Tippee #5

147. In or around May or June 2004, defendant GARY GOSSON told Gosson Tippee #5, among other things, to consider purchasing Galyan's stock and provided Gosson Tippee #5 with the trading symbol for Galyan's stock. Defendant GARY GOSSON later told Gosson Tippee #5 that he was able to hear and see things because of his relationship with defendant JOSEPH QUERI, JR. and suggested that Gosson Tippee #5 invest in Galyan's stock and share the profits with defendant GARY GOSSON.

148. On or about June 14, 2004, at approximately 9:03 a.m., defendant GARY GOSSON placed a telephone call to Gosson Tippee #5.

149. On or about June 14, 2004, at approximately 12:30 p.m., and again at approximately 12:31 p.m., defendant GARY GOSSON placed telephone calls to Gosson Tippee #5.

150. On or about June 14, 2004, at approximately 2:54 p.m., defendant GARY GOSSON received a telephone call from Gosson Tippee #5 and placed a return telephone call at approximately 2:59 p.m. Thereafter, on that same day, Gosson Tippee #5 purchased approximately 7,000 shares of Galyan's stock for approximately $78,827.76 at $11.20 per share. On or about June 22, 2004, Gosson Tippee #5 sold the Galyan's stock at $16.70 per share, making a profit of approximately $37,564.25.

Sharing Trading Profits with Defendant GARY GOSSON

151. On or about June 23, 2004, defendant GARY GOSSON received a check from Gosson Tippee #5 in the amount of $18,782.12, representing 50% of Gosson Tippee #5's trading profits.

152. On or about June 29, 2004, defendant GARY GOSSON received a check from Gosson Tippee #2 in the amount of $6,300.00, representing a portion of Gosson Tippee #2's trading profits.

153. Between on or about June 30, 2004 and July 7, 2004, defendant GARY GOSSON received funds from defendant GARY CAMP, representing defendant GARY GOSSON's investment, through defendant GARY CAMP, in Galyan's stock and resulting trading profits.

Counts 20 to 23
Securities Fraud Through Insider Trading
15 U.S.C. §§ 78j(b) and 78ff; 17 C.F.R. § 240.10b-5; and 18 U.S.C. § 2
[Defendants Joseph Queri, Jr., Gary Gosson, and Gary Camp]

154. The allegations set out in paragraphs 1 through 5; 8 through 9; 26 through 37; and 114 through 153 are hereby incorporated by reference.

155. On or about the dates listed below, in the Northern District of New York and elsewhere, JOSEPH QUERI, JR., GARY GOSSON, and GARY CAMP, aiding and abetting each other, unlawfully, willfully, and knowingly, directly and indirectly, by use of the means and instrumentalities of interstate commerce, the mails, and of the facilities of a national securities exchange, in connection with the purchase and sale of securities, used and employed manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, in connection with the following transactions:

Count	Date	Transaction
20	June 14, 2004	Purchase of approximately 12,500 shares of Galyan's Trading Company, Inc. stock by defendant GARY CAMP
21	June 15, 2004	Purchase of approximately 10,000 shares of Galyan's Trading Company, Inc. stock by defendant GARY CAMP
22	June 21, 2004	Purchase of approximately 5,000 shares of Galyan's Trading Company, Inc. stock by defendant GARY CAMP
23	June 22, 2004	Sale of approximately 27,500 shares of Galyan's Trading Company, Inc. stock by defendant GARY CAMP

In violation of 15 U.S.C. §§ 78j(b) and 78ff; 17 C.F.R. § 240.10b-5; and 18 U.S.C. § 2.

Count 24
Tender Offer Fraud
15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3(d)
[Defendant Joseph Queri, Jr.]

156. The allegations set out in paragraphs 1 through 5; 8 through 9; 26 through 37; and 114 through 153 are hereby incorporated by reference.

157. Between on or about June 13, 2004 and on or about July 27, 2004, in the Northern District of New York and elsewhere, defendant JOSEPH QUERI, JR., being an officer and employee of Dick's, willfully communicated material, nonpublic information relating to a tender offer by Dick's Sporting Goods, Inc. ["Dicks"] for stock of Galyan's Trading Company, Inc. ["Galyan's"], to another person, specifically to Gary Gosson, under circumstances in which it was reasonably foreseeable that such communication was likely to result in fraudulent, deceptive, and manipulative acts and practices in connection with Dick's tender offer for Galyan's stock, in that, after Dick's had taken a substantial step or steps to commence the tender offer for Galyan's stock, Gary Gosson, and the persons to whom Gary Gosson communicated the material, nonpublic information about Dick's tender offer for Galyan's stock ["the Gosson tippees"] were in possession of material information relating to such tender offer, which information they knew and had reason to know was nonpublic and knew and had reason to know had been acquired directly or indirectly from an officer and employee of Dick's, and thereafter the Gosson tippees purchased and sold, and caused the purchase and sale of Galyan's stock.

In violation of 15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3(d).

Count 25
Tender Offer Fraud
15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3(d)
[Defendant Gary Gosson]

158. The allegations set out in paragraphs 1 through 5; 8 through 9; 26 through 37; and 114 through 153 are hereby incorporated by reference.

159. Between on or about June 13, 2004 and on or about July 27, 2004, in the Northern District of New York and elsewhere, defendant GARY GOSSON, being a person in possession of material information relating to a tender offer by Dick's Sporting Goods, Inc. ["Dicks"] for stock of Galyan's Trading Company, Inc. ["Galyan's"], which information he knew and had reason to know was nonpublic and which he knew and had reason to know had been acquired directly or indirectly from an officer and employee of Dick's, willfully communicated the material, nonpublic information relating to Dick's tender offer for Galyan's stock to others ["the Gosson tippees"], under circumstances in which it was reasonably foreseeable that such communication was likely to result in fraudulent, deceptive, and manipulative acts or practices in connection with Dick's tender offer for Galyan's stock, in that, after Dick's had taken a substantial step or steps to commence the tender offer for Galyan's stock, the Gosson tippees were in possession of material information relating to such tender offer, which information they knew and had reason to know was nonpublic and knew and had reason to know had been acquired directly or indirectly from an officer and employee of Dick's, and thereafter the Gosson tippees purchased and sold, and caused the purchase and sale of Galyan's stock.

In violation of 15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3(d).

Counts 26 to 29
Tender Offer Fraud
15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3(a)
[Defendant Gary Camp]

160. The allegations set out in paragraphs 1 through 5; 8 through 9; 26 through 37; and 114 through 153 are hereby incorporated by reference.

161. On or about the dates listed below, in the Northern District of New York and elsewhere, defendant GARY CAMP willfully engaged in fraudulent, deceptive, and manipulative acts and practices in connection with a tender offer by Dick's Sporting Goods, Inc. ["Dicks"] for stock of Galyan's Trading Company, Inc. ["Galyan's"], in that, after Dick's had taken a substantial step or steps to commence the tender offer for Galyan's stock, defendant GARY CAMP, who was in possession of material information relating to such tender offer, which information he knew and had reason to know was nonpublic and knew and had reason to know had been acquired directly or indirectly from an officer and employee of Dick's, purchased and sold, and caused to be purchased and sold Galyan's stock, as listed below:

Count	Date	Purchase or Sale
26	June 14, 2004	Purchase of approximately 12,500 shares of Galyan's Trading Company, Inc. stock
27	June 15, 2004	Purchase of approximately 10,000 shares of Galyan's Trading Company, Inc. stock
28	June 21, 2004	Purchase of approximately 5,000 shares of Galyan's Trading Company, Inc. stock
29	June 22, 2004	Sale of approximately 27,500 shares of Galyan's Trading Company, Inc. stock

In violation of 15 U.S.C. §§ 78n(e) and 78ff; and 17 C.F.R. § 240.14e-3(a).

A True Bill.

Foreperson of the Grand Jury

ANDREW T. BAXTER
UNITED STATES ATTORNEY

BY:

Steven D. Clymer
Assistant United States Attorney
Bar Roll No. 509281